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DAPHNE INTERNATIONAL HOLDINGS LIMITED
達 芙 妮 國 際 控 股 有 限 公 司*

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 210)

**CHANGE OF THE CHAIRMAN OF THE BOARD,
AUTHORISED REPRESENTATIVE AND APPOINTMENT OF MEMBER
OF REMUNERATION COMMITTEE**

The Board announces that with effect from 17 May 2017:

- (1) Mr. Chen Ying-Chieh, a non-executive director of the Company, has resigned as the Chairman of the Board and ceased to be an authorised representative of the Company; and
- (2) Mr. Chang Chih-Kai, an executive director and the Chief Executive Officer of the Company, has been appointed as the Chairman of the Board, an authorised representative of the Company and a member of Remuneration Committee.

RESIGNATION OF CHAIRMAN AND AUTHORISED REPRESENTATIVE

The board of directors (the “**Board**”) of Daphne International Holdings Limited (the “**Company**”) announces that Mr. Chen Ying-Chieh, a non-executive director, resigned as the Chairman of the Board, and ceased to be the authorised representative required under Rule 3.05 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the authorised representative for accepting service of process and notices in Hong Kong on behalf of the Company under the Companies Ordinance with effect from 17 May 2017.

Mr. Chen has confirmed that he has no disagreement with the Company and the Board and that there are no other matters in connection with his resignation from the position of the Chairman of the Board that need to be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited.

The Board wishes to express its appreciation for Mr. Chen’s valuable contributions to the Company during his term of office as the Chairman of the Board.

* *for identification purpose only*

APPOINTMENT OF CHAIRMAN, AUTHORISED REPRESENTATIVE AND A MEMBER OF REMUNERATION COMMITTEE

The Board also announces that Mr. Chang Chih-Kai, an executive director and the Chief Executive Office, has been appointed as the Chairman of the Board, an authorised representative required under Rule 3.05 of the Listing Rules and an authorised representative for accepting service of process and notices in Hong Kong on behalf of the Company under the Companies Ordinance, and a member of Remuneration Committee with effect from 17 May 2017.

The Board would like to take this opportunity to extend our welcome to Mr. Chang on his new appointment.

Under Code Provision A.2.1 of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules, the roles of chairman and chief executive officer (“CEO”) should be separate and should not be performed by the same individual. Under the current organisation structure of the Group, the function of CEO is performed by Mr. Chang Chih-Kai. The Board is of the opinion that vesting the roles of both Chairman and CEO in Mr. Chang Chih-Kai has the benefit of ensuring consistent leadership within the Group thus enabling more effective and efficient strategic planning for the Group. Under this new arrangement, the Board also believes that the balance of power and authority will not be compromised and is adequately ensured by the existing Board which comprises experienced and competent individuals with more than one-third of the Board being independent non-executive directors.

By Order of the Board
Daphne International Holdings Limited
Chang Chih-Kai
Chairman

Hong Kong, 17 May 2017

As at the date of this announcement, the Board of the Company comprises three executive directors, namely Mr. Chang Chih-Kai, Mr. Chang Chih-Chiao and Mr. Chen Tommy Yi-Hsun; one non-executive director, namely Mr. Chen Ying-Chieh, and three independent non-executive directors, namely Mr. Huang Shun-Tsai, Mr. Kuo Jung-Cheng, and Mr. Lee Ted Tak Tai.